STATEMENT OF COMMISSIONER JESSICA ROSENWORCEL

Re: Presentation on the Status of Alerts to Prevent Bill Shock (April 18, 2013)

There are now more wireless connections to phones and tablets in the United States than there are people—and we rely on these devices like never before. They keep us connected to our family and friends, our jobs, and our communities. They are a vital part of our daily life.

That is why it is more important than ever that consumers understand what we spend our money on. Because let's be honest, wireless plans have gotten complicated. Consider the dizzying array of options available—shared and individual plans, limited and unlimited voice, data, and text. To stay within a plan can require keeping track of voice, data, and text usage across multiple devices. Not easy. No wonder, then, that a survey from the Commission found that one in six Americans have experienced bill shock, stuck with unexpected fees when they unknowingly exceed their wireless plan limits.

In a world where consumer choices are vast and complex, information is power. So it is critically important to get consumers straightforward information about what they pay for and when. Because nobody should need to hire a lawyer to understand their wireless contract and nobody should need to hire an accountant to explain their bill.

That is why the bill shock initiative we are discussing today is an especially terrific effort. Starting this week, wireless customers will receive alerts before they reach their voice, data, text, and international roaming limits. This information means that they will no longer unknowingly rack up unexpected charges on their bills. It is a nice demonstration of how information can provide consumers with the confidence they need to make good choices and make use of new technologies.

But the Commission needs to remain vigilant. So I ask that the Consumer and Governmental Affairs Bureau track complaints related to bill shock that come in to the agency over the coming year and then produce a report summarizing their findings one year from now. We must be certain that we have put the problem of bill shock behind us. And going forward we should look for new opportunities to provide consumers with more information to provide them with the confidence they need to make good choices and take full advantage of the opportunities the digital age offers. I think that studying the data we already have—like the 400,000 complaints and inquires the Commission receives every year—is a good place to start.

Thank you to the Chairman, Consumers Union, and CTIA for pulling together and working to address this problem. Fixing bill shock means a better wireless experience for consumers across the country. That's something worth celebrating.